



COSLA Consultation on a Standard Financial Assessment Template

CCPS and HSEU response – November 2014

We note that this consultation is part of an ongoing process of review of the Charging Guidance for Non-residential Social Care Services in Scotland. We support the overall aim of bringing greater consistency, transparency and equity to the provision of social care across Scotland. However, we do not agree with the underlying premise that charges should be applied to non-residential social care services. In that respect, CCPS and partner organisations have signed a petition that is currently before the Scottish Parliament seeking to abolish non-residential care charges. We refer you to the detailed case set out in the [petition on the Scottish Parliament website](#), and set out below a number of specific issues for voluntary sector care providers.

Providers have significant concerns about the relative benefits of charging for non-residential care. The COSLA guidance (at paras 4.6 and 4.12) recommends that councils consider the opportunity costs, and suggests that councils use their powers to abate or waive charges, where a service user has difficulty in meeting a charge. However, providers have experience of working with service users whose income is extremely low (at or below poverty levels as set out in the [Scottish Government statistics](#)) but who have nevertheless been subject to care charging. We have anecdotal reports from providers of an increase in the number of service users who are refusing services rather than pay for them. This is likely to have an impact on their wellbeing, with the additional possibility of creating longer-term demands on the formal care/NHS system that may be much more costly. This is not consistent with the national prevention policy agenda.

There are also a number of issues with the administration of care charges that result in significant stress and strain on the service user, as well as cost to providers. Communication between councils and service users can be poor, resulting in a lack of transparency and understanding about the charges, why they are being imposed, what the period of charges applies to, and how the exact figures are calculated.

Providers report significant administrative backlogs in some areas, which can result in service users being presented with a huge bill for backdated charges. In one case, a service user was in receipt of support for mental health issues and received a backdated bill of over £2,000 nearly nine months in to the service. This had a significant negative impact on the person's

mental health and substantially increased the need for support from the provider, where debt management had already been an issue they were dealing with.

In some cases service users are receiving backdated bills of several hundred pounds or more as much as 12 months after the service commenced. People are frequently responding to these bills by refusing any further service. Related to this, providers have noted that some local authorities are applying a standard charge to avoid the build-up of backdated charges pending assessment. This can result in over payment where the support received is 'low level' and can encourage service users to drop a service.

Providers report concern about the capacity of social workers to deal with the financial assessments needed to establish charges; the extent to which this is an appropriate use of their time, and issues with training and overall process.

In addition, care charges present a number of administrative and other problems for providers where they are required to collect the charges on behalf of a council. In many cases the council deducts the relevant amount from the agreed service fee payable to the provider, expecting the provider to collect the difference directly from the service user. Sometimes this is a contractual condition but there is no recognition of the additional administrative cost for the provider.

The role of collecting payment for a service can have a very detrimental effect on the nature of the relationship with a service user. It can be confusing for service users to understand the distinction between council and provider, and affects the perception of independence from the statutory sector that is often key to the establishment of a constructive relationship between the person and the provider.

Providers have no say on how much is charged and no control over the administration of charges. There is often a lack of relationship between the charge set by a local authority and the cost of services provided and this makes it very difficult for a provider to explain the charge when asked to do so by tenants or service users. In many cases providers end up managing debt issues for service users as a result of local authority charges. Difficulty or delay in collecting charges can negatively affect the cash flow of an organisation, which is exacerbated by the fact that providers do not generally receive any compensation from the council for the administrative cost burden.

Finally, we note the potential for greater confusion and complexity as a result of the integration of health and social care and the complications of drawing a line between health services and social care services. It is difficult to reconcile the imposition of care charges for some social care services (but not similar health services), with the principle of integration, where the financial resources of both health and social care services become integrated into one pot and lose their 'health' or 'social care' identity.

About CCPS and HSEU

CCPS is the **Coalition of Care and Support Providers in Scotland**. Our membership comprises over 70 of the most substantial care and support providers in Scotland's third sector, providing high quality support in the areas of community care for adults with disabilities and for older people, youth and criminal justice, addictions, homelessness, and children's services and family support.

HSEU is the Housing Support Enabling Unit. The HSEU is hosted jointly by CCPS and the Scottish Federation of Housing Associations to promote and assist the work of providers of housing support across Scotland.

Please see our website for more detail: <http://www.ccpscotland.org/>

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